

Senate Study Bill 1218 - Introduced

SENATE FILE _____

BY (PROPOSED COMMITTEE ON
STATE GOVERNMENT BILL BY
CHAIRPERSON DANIELSON)

A BILL FOR

1 An Act concerning the allocation of adjusted gross receipts
2 from gambling games at certain licensed gambling facilities
3 for horse purses.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 99F.6, subsection 4, paragraph a,
2 subparagraph (3), Code 2013, is amended to read as follows:

3 (3) (a) The commission shall authorize, subject to the
4 debt payments for horse racetracks and the provisions of
5 paragraph "b" for dog racetracks, a licensee who is also
6 licensed to conduct pari-mutuel dog or horse racing to use
7 receipts from gambling games within the racetrack enclosure to
8 supplement purses for races particularly for Iowa-bred horses
9 pursuant to an agreement which shall be negotiated between the
10 licensee and representatives of the dog or horse owners. For
11 agreements subject to commission approval concerning purses
12 for horse racing beginning on or after January 1, 2006, the
13 agreements shall provide that total annual purses for all horse
14 racing shall be no less than eleven percent of the first two
15 hundred million dollars of net receipts, and six percent of
16 net receipts above two hundred million dollars. In addition,
17 live standardbred horse racing shall not be conducted at the
18 horse racetrack in Polk county, but the purse moneys designated
19 for standardbred racing pursuant to section 99D.7, subsection
20 5, paragraph "b", shall be included in calculating the total
21 annual purses required to be paid pursuant to this subsection.
22 Agreements that are subject to commission approval concerning
23 horse purses for a period of time beginning on or after January
24 1, 2006, shall be jointly submitted to the commission for
25 approval.

26 (b) The commission shall require a licensee of a facility
27 that does not conduct pari-mutuel horse racing and is located
28 in Polk county or a county contiguous to Polk county to
29 distribute to the licensee who is also licensed to conduct
30 pari-mutuel horse racing an amount equal to that percentage of
31 the annual adjusted gross receipts from all gambling games at
32 that facility for the licensee that is equal to the percentage
33 of net receipts distributed by the licensee who is licensed to
34 conduct pari-mutuel horse racing for horse purses as negotiated
35 pursuant to subparagraph division (a). Receipts distributed

1 to the licensee who is also licensed to conduct pari-mutuel
2 horse racing shall be used to supplement horse purses pursuant
3 to section 99D.7, subsection 5.

4 EXPLANATION

5 This bill concerns the allocation of certain gambling game
6 receipts from a nonhorse racing facility for horse purses.
7 Code section 99F.6 is amended to require the allocation of
8 certain gambling game receipts of a licensee at a facility
9 that does not conduct pari-mutuel horse racing but is located
10 in Polk county or a county contiguous to Polk county. The
11 bill requires that the nonhorse racing facility distribute
12 to the licensee who conducts pari-mutuel horse racing an
13 amount equal to that percentage of the annual adjusted gross
14 receipts from all gambling games at that facility that is equal
15 to the negotiated percentage of net receipts distributed by
16 the licensee who conducts pari-mutuel horse racing for horse
17 purses. The bill provides that the receipts distributed as
18 provided in the bill shall be used to supplement horse purses
19 pursuant to the distribution formula established in Code
20 section 99D.7(5).